

ULTS Trust Administrative Committee Meeting Agenda

January 13, 2003 (Monday)

10:00 - 12:30

505 Van Ness Avenue

Training Room

Teleconference: 877-780-7587 and Passcode of 242672#

Facilitator: Lionel Wilson

1. Introduction
 - a. Consumer Protection and Information Division (CPID)
 - b. Telecommunications Division (TD) P. 2
2. Election of Chair and Vice-Chair
3. Liaison Report
 - a. Administrative Committee Budget Update (TD) P. 3
 - b. Fund and Payment Status (IMSD/TD) P. 4
 - c. Marketing Contracts (TD)
 - d. Insurance P. 5 - 6
 - e. Signing of the Charter (TD) P. 7
4. Proposed Standing Agenda P. 8
5. Proposed Future Meeting Dates P. 9
6. December 16, 2002 Meeting Minutes P. 10 - 11

Telecommunications Division (TD)

Presenter: David M. Shantz, Program Manager

- Introduction
- Role of TD Liaison
 - Minutes and Meeting Package
 - Budget Development
 - Financial Reports ¹
 - Events with potential financial impact
 - Annual Report ²
 - Teleconference
 - Air Travel Arrangement
 - Travel Expense Claim Process
- Off-Site Meetings
- Program Administration
 - Review and Payment of Claims
 - Marketing Contracts
 - Other Service Contracts
- Guidance on Developing Proposal for Bid for a Permanent Marketing and Outreach Contract(s)

¹ Charter 4.1.a : Pursuant to Pub. Util. Code § 273(a), on or before June 1 of each year the ULTSAC shall submit a proposed budget to the Commission's Telecommunications Division. The proposed budget shall include estimated program expenditures and the Committee's projected expenses for the fiscal year (July 1 to June 30) that will commence thirteen (13) months thereafter.

² Charter 4.1.b: Pursuant to Pub. Util. Code § 273(b), on or before October 1 of each year the ULTSAC shall submit a report to the Commission describing Committee activities during the prior fiscal year.

Administrative Committee Budget Update

<u>Fiscal Year 2002-2003</u>	<u>Per Diem</u>	<u>Travel & Others</u>	<u>Total</u>
Resolution T-16688	\$37,000.00	\$24,000.00	\$61,000.00
Jul-02	\$600.00	\$258.20	\$858.20
Aug-02	\$900.00	\$259.20	\$1,159.20
Sep-02	\$900.00	\$259.20	\$1,159.20
Oct-02	\$600.00	\$602.20 *	\$1,202.20
Nov-02	\$600.00	\$267.26	\$867.26
Dec-02	\$400.00	\$259.80	\$659.80
Total As of 1/1/03	\$4,000.00	\$1,905.86	\$5,905.86
Remaining Budget	\$33,000.00	\$22,094.14	\$55,094.14

* This amount does not include Ana Montes' travel cost, which is still outstanding.

ULTS-Fund Receipt and Disbursement Summary

<u>Date</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u>
10/1/2001			\$108,736,244.20
10/31/2001	\$25,105,624.78	(\$32,543,216.91)	\$101,298,652.07
11/30/2001	\$25,080,657.18	(\$1,045,930.14)	\$125,333,379.11
12/1/2001	\$28,138,978.08	(\$27,195,613.15)	\$126,276,744.04
1/5/2002	\$1,213,782.05		\$127,490,526.09
1/31/2002	\$23,753,344.95	(\$17,024,272.70)	\$134,219,598.34
2/28/2002	\$24,210,114.43	(\$11,712,008.52)	\$146,717,704.25
3/31/2002	\$23,254,960.11	(\$17,106,924.09)	\$152,865,740.27
4/30/2002	\$22,001,997.16	(\$18,768,549.69)	\$156,099,187.74
5/31/2002	\$22,058,826.88	(\$23,643,373.48)	\$154,514,641.14
6/30/2002	\$16,126,611.39	(\$17,895,846.47)	\$152,745,406.06
Total	\$210,944,897.01	(\$166,935,735.15)	\$152,745,406.06

Fiscal Year 2002-2003

7/1/2002			\$152,745,406.06
7/5/2002	\$2,214,354.00		\$154,959,760.06
7/31/2002	\$24,224,723.56	(\$18,668.17)	\$179,165,815.45
8/31/2002	\$28,519,849.94	(\$20,198.26)	\$207,665,467.13
9/30/2002	\$19,984,366.38	(\$24,223,082.15)	\$203,426,751.36
10/4/2002	\$7,907,508.90		\$211,334,260.26
10/31/2002	\$20,238,000.73	(\$18,304,833.65)	\$213,267,427.34
11/29/2002	\$20,607,738.50	(\$27,176,982.46)	\$206,698,183.38
Total	\$123,696,542.01	(\$69,743,764.69)	\$206,698,183.38



MEMORANDUM

Date: December 30, 2002

To: Barbara Morton
California Public Utilities Commission
Energy Division – Analysis Branch
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

From: Department of General Services
Office of Risk and Insurance Management
707 Third Street, First Floor
West Sacramento, CA 95605, IMS Z-1

Subject: **RECOMMENDATION REGARDING THE PURCHASE OF ERRORS & OMISSIONS AND DIRECTORS & OFFICERS LIABILITY COVERAGE FOR COMMITTEE ADVISORY BOARDS**

Exposure:

The California Public Utilities Commission (CPUC) oversees committees that serve as advisory boards for various programs. The committees consist of state and non-state employees whose duties are advisory in nature. The Committee Charters indicate the members who are not employed by the Commission or other governmental agencies of the State of California are still considered servants of the State of California within the meaning of Government Code 810.2. The Charters further indicate that the various budgets may include the purchase of Errors and Omissions (E&O) and Directors and Officers (D&O) or similar insurance to indemnify Board members for acts done within the course and scope of services performed to the extent that such activities are held not to be indemnified by the State under Government Code 810.2, 825 – 825.6 and/or 995 – 996.6.

Coverage:

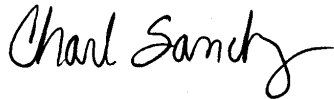
Government Code 810.2 provides that the state is required to provide indemnification and defense for an appointee to a state board, commission, or committee with respect to activities performed within their designated duties. Insurance policies for Public Officials Errors and Omissions or Directors and Officers Liability only provide coverage while the directors, officers or employees are acting within the scope of their employment. Thus, it provides little coverage beyond that encompassed in Government Code 810.2, 825 – 825.6 and/or 995 – 996.6.

Communication aids or services will be provided to individuals with disabilities upon request. The California Relay Service telephone numbers are (voice) 1-800-735-2922 and (TTY) 1-800-735-2929.

Conclusion:

The individual members of the Board would receive essentially the same coverage whether from the State under the Government Codes or from insurance. The State's general risk management philosophy is to retain the risk of loss within the State. The role of the members is for advisory purposes only, so their exposure is minimal. Thus, ORIM recommends the CPUC does not purchase E&O or D&O coverage at this time for the committee members. Defense would be provided through Government Code 810.2 if required. ORIM further recommends that the CPUC absorb any losses at this time, and revisit the issue at a later date if necessary.

Thank you for your awareness in this matter, and for using ORIM as a resource. It has been a pleasure working with you. If you have any further questions or concerns, please call me at (916) 376-5280.



CHARL SANCHEZ
Associate Risk Analyst

Cc: Gary Estrada, ORIM
Robin Johnson, Driver Alliant Insurance Services

Communication aids or services will be provided to individuals with disabilities upon request. The California Relay Service telephone numbers are (voice) 1-800-735-2922 and (TTY) 1-800-735-2929.

This Charter is hereby modified in response to OIR 01-08-002 issued August 2, 2001 and is executed on January 13, 2003.

Member – Ana Montes

Member – Fred Hesse

Member – Ken McEldowney

Member – Linda Burton

Member – Linda Gustafson

Member – Marlene Hebert

Member – Mateo Camarillo

Member – Mike A. Gipson

Member – Richard Elbrecht

**ULTS Trust Administrative Committee
Proposed Meeting Agenda** 

**February xx, 2003 (Wednesday)
10:00 - 12:30**

**505 Van Ness Avenue, Training Room
San Francisco, CA 94102**

Teleconference: 877-780-7587 and Passcode of 242672#

- 1. Introduction**
- 2. Review and Approval of Minutes**
- 3. Marketing Program (Charter § 2.3)**
 - a. Strategic Plan**
 - b. ULTS/CARE Coordinating Outreach**
- 4. Program Development/Implementation/Administration (Charter § 4.1.c)**
 - a. Auto-Enrollment**
 - b. Self-Certification and Random Verification**
 - c. SB 1563**
- 5. Liaison Staff Report**
 - a. Administrative Committee Budget Update (TD)**
 - b. Fund and Payment Status (IMSD/TD)**
 - c. Marketing Programs (TD)**
 - d. Service Contracts (TD)**
 - e. Commission Decisions and Orders (Legal/TD)**
 - f. Other Administrative Matters (CPID/IMSD/Legal/TD)**
- 6. Fiscal Year 2004-2005 Budget Development (Charter § 4.1.a)**
- 7. Annual Report for Fiscal Year 2002-2003 (Charter § 4.1.b)**
- 8. Announcement**
- 9. Member Recommended Agenda Items Request**
- 10. New & Old Business**
- 11. Public Comments**
- 12. Future Meeting Dates**

 The Board reserves the right to limit or expand the time allocated to each agenda item.

Proposed Future Meeting Dates

1. February 19, 2003 (Wednesday)
2. March 19, 2003 (Wednesday)
3. April 23, 2003 (Wednesday)
4. May 21, 2003 (Wednesday)
5. June 18, 2003 (Wednesday)

Meeting Minutes³
of
Universal Lifeline Telephone Service Trust Administrative Committee (ULTSAC)

Chair for the meeting: Ken McEldowney

Date: December 16, 2002

Location: California Public Utilities Commission
505 Van Ness Avenue, Hearing Room C
San Francisco, CA 94102

Member Present:

Ken McEldowney (Co-Chair)

Mateo Camarillo (Co-Chair)

Richard A. Elbrecht

Ana Montes

Lionel Wilson

Anthony Irving

Linda Gustafson

Marlene Hebert

Fredrick Hesse (by teleconference)

Joel Tolbert

Member Absent:

Colin Petheram

Karen Miller

Nettie Hoge

Fred Glynn

Others in Attendance:

Shelley Bergum, Deaf and Disabled Telecommunications Program (by teleconference)

Taura O' Lariscy, Richard Heath & Associates (RHA)

Jon Weber, ATT Global

Linda Burton, Sierra Telephone

Rhonda Armstrong, Kerman Telephone

Judy Cooper, Consumer Protection and Information Division (CPID)

Barbara Morton, Energy Division (ED)

Angela Young, Telecommunications Division (TD) Liaison

1. Introduction

Ken called the meeting to order at 9:50 am. Roll call was taken and there was a quorum in session.

2. Review and Approval of Minutes

Mateo motioned the approval of the draft minutes for the October 29, 2002 meeting. Linda seconded the motion and the motion was approved unanimously.

³ An audiotape for this meeting can be made available at 505 Van Ness Avenue, San Francisco. Contact person: Angela Young, 415-703-2837 (phone) or avy@cpuc.ca.gov (e-mail).

3. Subcommittee Report on CARE/ULTS Outreach

Barbara informed the Committee that the LIOB has approved, in principle, the draft report on the outreach efforts of the California Alternate Rate for Energy (CARE) and the ULTS Programs in the December 11 meeting. Barbara is editing the draft for technical accuracy before it is published. Linda requested that the draft report be sent to the subcommittee members (Fred H., Ana, Mateo, and Linda) for comments before its final publication. Barbara agreed to do so.

4. Committee Member Nomination

Judy indicated that the selected nominees for the ULTS-AC are listed on Page 29 of the handouts. After some discussion, Judy clarified that Ken should be listed as primary board member under the consumer organization group instead of listing as alternate for Mateo. Public has until December 30, 2002 to comment or protest on these nomination. If no protest or comments are filed, the new board will start in January 2003. The existing interim board should bring any unfinished business to conclusion before end of the year, if possible. Angela inquired whether the new board would be able to vote on the draft minutes for today's meeting. Lionel indicated that the December 16, 2002 minutes should remain as un-adopted.

5. Self-Certification and Random Verification

No new development on this item.

6. SB 1563

Angela directed the Committee to Pages 26-28 of the handouts. Senate Bill 1563 was signed by the Governor in September 2002 requiring the Commission, no later than April 1, 2003, to convene a proceeding to develop a plan for encouraging the widespread availability and use of advanced communications infrastructure, and would require the proceeding to encourage participation from a broad cross section of the communications industries, including those entities that the commission does not regulate, as well as users and community representatives. This item will be included in the agenda for the new board.

7. Liaison Staff Report

Angela reported the following:

- On the marketing contracts, TD continues working on the two RHA contracts making sure the contracts meet state's contracting rules before submitting to Department of General Services (DGS) for approval.
- On the insurance matter, TD and ED met with DGS and American International Companies (AIG), the underwriter. AIG agreed to provide a risk assessment and quotation to staff, however neither a risk assessment nor a quotation has been received.

8. Future Meeting

The Committee will meet at 10:00 am on January 13, 2003 (Monday).

9. The meeting was adjourned at 11:05 am.